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IN THE

Supreme Court of the United States

No. 588—October Term, 1934

THE STELOS COMPANY, INC.,

Plaintiff-Petitioner.

vs.

HOSIERY MOTOR-MEND CORPORATION,
KAYSER HOSIERY MOTOR-MEND CORPORATION,
JULIUS KAYSER & COMPANY,

Defendants-Respondents.

No. 653—October Term, 1934

HOSIERY MOTOR-MEND CORPORATION,
KAYSER HOSIERY MOTOR-MEND CORPORATION,
JULIUS KAYSER & COMPANY,

Defendants-Petitioners.

vs.

THE STELOS COMPANY, INC.,

Plaintiff-Respondent.

BRIEF FOR THE STELOS COMPANY, INC.

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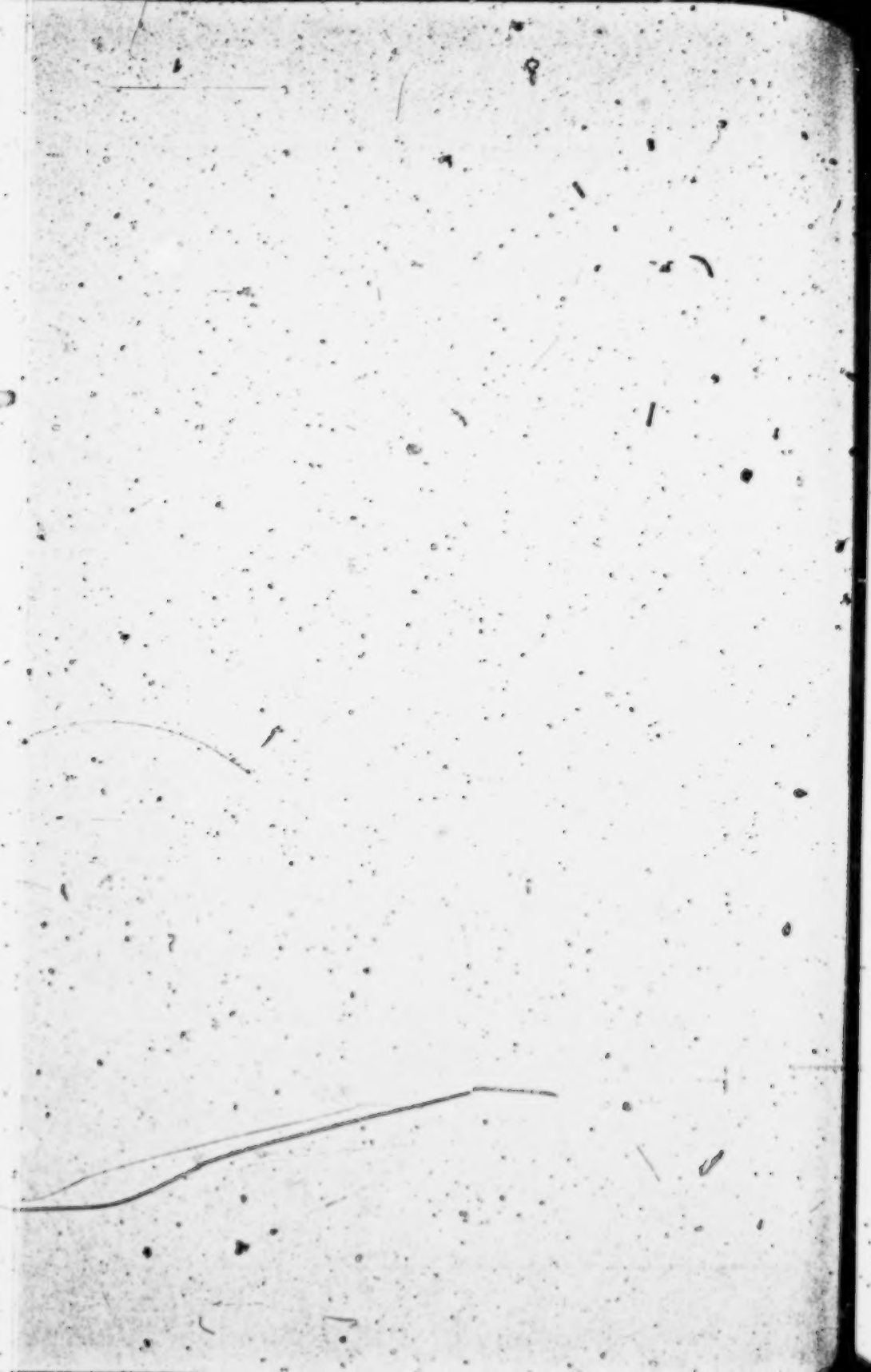

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BRIEF FOR THE STELOS COMPANY, INC.

On February 18, 1935, this Honorable Court granted the petition of The Stelos Company, Inc., No. 588, for a writ of certiorari to review the decision of the Circuit Court of Appeals, for the Second Circuit, and the Court also granted a cross-petition, No. 653, in the same case. (R. 1360.)

The Opinions Below

The opinion of the District Court (by Judge Woolsey) is in the record, page 1266. The opinion of the Circuit Court of Appeals, for the Second Circuit, (by Circuit Judge Learned Hand) is at R. 1341, 72 Fed. (2d) 405.

The Circuit Court of Appeals held the claim to be valid but *not infringed.*

Statement of the Case

On the 5th day of February, 1929, a patent infringement suit in the usual form was filed in the United States District Court for the Southern District of New York, against Hosiery Motor-Mend Corporation, by The Stelos Company, Inc. It alleged infringement of reissue patent No. 16,360, (R. 961) issued to The Stelos Company, Inc., as assignee of Frank C. Stephens on a method of repairing runs in hosiery by means of a latch needle, while stretching the hose over a suitable holder, such as an egg cup. Claim 23 only of the patent was involved in the suit.

Subsequently, on the 16th day of July 1930, Kayser Hosiery Motor-Mend Corporation and Julius Kayser & Company, a corporation, were joined as defendants.

The original defendant, Hosiery Motor-Mend Corporation, and the additional defendants, Kayser Hosiery Motor-Mend Corporation and Julius Kayser & Company, are hereinafter called the defendants. The Stelos Company, Inc., is hereinafter called the plaintiff.

Upon proof in open court, District Judge, the Honorable John M. Woolsey, held claim 23 of the patent in suit invalid and not infringed, and dismissed the Bill of Complaint. Plaintiff appealed to the Circuit Court of Appeals, for the Second Circuit.

On July 31, 1934, the Circuit Court of Appeals filed an opinion reversing the decree of the District Court so far as it declared claim 23 invalid, but affirming the decree of the District Court so far as it dismissed the Bill of Complaint for non-infringement. Plaintiff filed a petition for rehearing which was entertained, but was denied on October 26th, 1934. On October 26th, 1934, a mandate was issued from the Circuit Court of Appeals, for the Second Circuit, to the District Court, but a decree of the District Court signed November 23, 1934, provided for a stay of execution in contemplation of an application to this Honorable Court for a writ of certiorari, which was granted February 18, 1935, together with the cross-petition, No. 653.

The matter is before this Honorable Court to determine, first, whether the decision of the Circuit Court of Appeals, for the Second Circuit, should be reversed on the question of infringement. If this question is decided in the affirmative, then, the cross-petition, No. 653, raises the question of the validity of the claim.

Specification of Errors

The following were the reasons given in the petition for certiorari, No. 588, and will be relied upon here as the specification of errors of plaintiff, as the reasons why the decision of the Circuit Court of Appeals, for the Second Circuit, should be reversed:

First: The question of infringement of claim 23 of the patent in suit, as decided by the Circuit Court of Appeals, for the Second Circuit, was in direct conflict with the opinion of the Court of Appeals of the District of Columbia, in which substantially the same device and the same method of operation were involved, the difference in opinion being the result of a difference in interpretation of claim 23 of the patent in suit.

Second: The decision was erroneously to the effect that the clause in claim 23 "while holding the device laterally out of alignment with the run", restricts the claim to the holding of the device off to one side of the run.

Third: The decision was erroneously to the effect that the method of claim 23 of the patent in suit differed from the method of cancelled claim 10 of the Stephens application only by reason of the clause, "while holding the device laterally out of alignment with the run", which clause became essential to an infringement, an element with which the doctrine of equivalents would not allow the patentee to dispense.

Fourth: The opinion, erroneously interpreting and applying the decision of this Honorable Court in *Smith vs. Magic City Kennel Club*, 282 U. S. 784, 790, in effect held, that a non-essential element, added in a new claim after the filing of the application for the patent, which was not an element of the claims in the application as filed, became essential to an infringement and the doctrine of equivalents would not apply with respect thereto.

Fifth: The court was in error in holding that claim 23 was not infringed, although the evidence shows, according to the interpretation of claim 23, by the Circuit Court of Appeals, for the Second Circuit, that the defendants indubitably do infringe the claim.

Prior Adjudications

The patent in suit has been subject to wide-spread infringement not only by responsible persons and corporations but also by itinerant peddlers.

Shortly after the granting of reissue patent No. 16,360, infringements commenced, and on March 9, 1927, a suit was filed in the U. S. District Court for the Western District of

Missouri, (Kansas City) against Evelyn Stark, for the infringement of this patent. After trial in open court, wherein the validity of the patent was attacked, plaintiff obtained an injunction and decree holding claim 23 of the patent valid and infringed, tried before Judge Merrill E. Otis.

The second suit was in the Eastern District of Missouri, against Green-Jac Sales Company, wherein an injunction and decree were entered sustaining the validity of claim 23 of the patent.

A suit was filed in the Western District of Pennsylvania, against Emory J. Gearhart, for the infringement of the patent in suit and after trial thereof in open court, claim 23 was held valid and infringed, 60 Fed. (2d) 1006.

In 1928, a suit was filed by plaintiff against Finch Corporation in the Supreme Court of the District of Columbia, involving the same needles and method used by the defendants in the instant suit, and the same defenses of non-infringement and invalidity were urged by Finch Corporation, but after trial in open court before Mr. Justice Stafford, a decree was entered sustaining the validity of claim 23 and enjoining defendant, Finch Corporation, from infringement, which decree was affirmed by the Court of Appeals of the District of Columbia, 46 Fed. (2d) 606.

Finch testified in that suit that he furnished his sliding latch needles to the present defendants, Hosiery Motor-Mend Corporation, et al, under his patent, No. 1,674,508 (R. 1366A). Thus, although Finch is under injunction in the District of Columbia, the present defendants are operating in New York, using Finch's needles in the same method that was held to be an infringement by Finch.

Practically all of the defenses urged by the defendants in this case have been involved in one or more of the above-mentioned suits, but claim 23 has been sustained in every prior adjudication, except in the opinion of the District

Court below, whose decision on the validity of the claim was, however, reversed by the Circuit Court of Appeals, holding the claim valid, although not infringed.

Summary of Argument

Stephens, the patentee of the patent in suit, has accomplished something of genuine merit as has been recognized by the concurring views of four United States District Courts and two United States Courts of Appeals (Second Circuit and District of Columbia) holding that claim 23 here in issue is valid.

Before the Stephens invention, the method used was to move the needle along the surface of the fabric, parallel therewith in a horizontal direction. Stephens changed the direction *so as to work through the fabric.* This was obviously far more than a change of direction. It involved a new method of picking up the threads. It was a change of direction, but, more than that, it was a change of the method—a new method, with salutary and revolutionary results.

A very large business has been built up on the basis of his invention, the essential feature of which was to have the needle reciprocate up and down through the fabric while *stretching* the fabric over a suitable holder in reknitting the run in knitted goods. The method and the result are the same whether the needle reciprocates in a vertical plane perpendicular to the plane of the fabric or in an oblique plane. Stephens preferred the oblique plane as described in his specification (and defendants' operators sometimes use this), but the claim in issue is not limited to any particular arrangement. There is no reason why Stephens' preferred arrangement should be read into the claim, and every reason why the claim should be construed to give to the inventor the full benefit of the real contribution to the art that he has made.

Neither what was known or practiced before his time nor the history of his application while it was pending in the Patent Office requires that the claim shall be given any meaning other than that which it has and was intended to have. Indeed, an accurate knowledge of what *was* known prior to Stephens' time helps emphasize what his real invention was as expressed in the claim, namely, *working through the fabric* while *stretching* it over a suitable holder in reknitting a run in a knitted fabric.

That was his invention. That is the thing that has brought success. That is the thing that defendants have deliberately copied and appropriated without license or permission.

ARGUMENT

The History of the Stephens Invention and What it Accomplished

The history of this invention is extremely interesting. Mr. Stephens, the inventor, was in Mexico, living in the home of a Mrs. de Marr, a Mexican woman, whom he saw mending her hose from time to time. The method employed by Mrs. de Marr was a slow, tedious, and laborious operation and was a severe strain on the eyes. (R. 112.)

Mrs. de Marr used what is known as the French or finger method, as Mr. Stephens testified:

> "She would stretch the hose over her finger, the hose having a run, and with an ordinary latch needle she would pick up the run or loop up a run or raveling. Inserting the hook end into the run or loop she would push that needle forward until the loop on the shank would go back of the latch and then she would pick up the next forward thread into the hook of the needle and pull that thread which was in the hook through the other loop and continue that until she repaired the run or the raveling.

"I once noticed her doing that and it occurred to me at the time why some device could not be gotten out or manufactured whereby we could reciprocate or have the rapid *motion go through the fabric that would avoid all this unnecessary strain.* It was very tedious as I watched her doing it that way." (R. 111.)

The result of this was that Mr. Stephens devised a method which would accomplish the work quickly, easily and without the eye-strain and tedious operation attendant upon the finger method which he had seen. Once he had conceived of this method, of working through the fabric, it was obvious that the hose could not be held on the operator's finger in the way that Mrs. de Marr had been holding it, because that would not allow the needle to go through the fabric.

His next problem was to devise something for holding the hose which would allow reciprocation of the needle therethrough, at an *angle* to the plane of the fabric.

The testimony shows that he tried various things, such as embroidery hoops, water glasses, wine glasses, and finally an egg cup which proved the most convenient and simple, permitting the manipulation and stretching of the hose in all directions by the left hand of the operator. A cup-shaped holder has been used by every infringer of this method and it is significant that all of them have used egg cups or an equivalent.

Thus was inaugurated a touch system of repair, never before known, as distinguished from the time-honored eye straining system, the only method previously known; verily it has resulted in the creation of a brand new industry.

In order to make the method commercially practical, Mr. Stephens not only made use of the most convenient form of holder that he could discover, an egg cup, but he also improved the construction of the needle itself in various ways, as for instance by magnetizing the hook and latch to facilitate its operation, and by employing a side guard to

improve its efficiency, etc., but the improved features of his needle, as covered by claims 1 to 22 inclusive of his patent on the article of manufacture, are not involved in this suit which is confined to the method, and those claims hardly need further discussion.

After devising this method, Mr. Stephens and his partner, Mr. Losh, investigated the commercial possibilities of the invention, and found there was little or no hosiery mending being done, and what little mending was being done in the mills, and the like, was by the use of the slow and laborious finger method, and then only for very short runs. Because of this fact, they foresaw the commercial possibilities of the invention and took steps to protect it by filing a patent application thereon.

At the same time they proceeded to establish a business of mending hose in this city. Because it was such a new thing, hitherto unheard of by the general public, their business did not instantly prosper, and during the first three months their gross receipts were only $15.00, but by the end of 1924, they had grown to $125.00 per month, and they continued to grow thereafter into a very prosperous business.

After the allowance of the patent application, indicating that patent protection would be granted on the invention, Stephens and Losh organized the plaintiff corporation, and began to sell franchises for the use of the invention. During the last three months of 1925, the sale of these franchises amounted to $23,000.00. During 1926, the sale of franchises amounted to $480,000.00, but during 1927, because of infringements which were beginning to appear, the sale of franchises dropped to $125,000.00, which further declined in 1928 to $30,000.00, and after 1928, no franchises could be sold because of infringements. (R. 168-169.)

However, from October, 1925, through 1928, franchises to the extent of $658,000.00 had been sold, aside from their

own receipts from mending hosiery which were gradually increasing to quite a sizeable business. The extent to which the sale of franchises fell off as a result of the infringements indicates the serious injury to plaintiff's business.

In the local district of Philadelphia, Mr. Dickson testified as Secretary of the Eastern Stelos Company, a franchise holder, that in 1926, they did a total business of $58,000.00; in 1927, $100,000.00; in 1928, $100,000.00, but due to competition and infringements, this fell off in 1929 to $72,000.00; and in 1930 to $40,000.00 (R. 187). No small part to this decrease in business was due to the infringement by the present defendants, as the testimony clearly shows. (Dickson testified that he invested his money in the franchise only after consulting with executives of some of the largest knitting mills in the United States). (R. 184.)

These facts not only show the rise in plaintiff's business by the introduction of the Stephens method, but they also indicate that just as soon as this method was introduced to the trade, it met with phenominal commercial success. This is best shown in the testimony of witnesses Dickson and Storb who introduced the Stelos method to the knitting mills in and around Philadelphia.

Prior to that time the method in use in those mills was the old-fashioned finger method which was slow, laborious, and was only used for very short runs. Just as soon as the Stelos system was demonstrated to these mills it was adopted by practically all of them, superceding almost entirely the archaic finger method previously used. (R. 193, 199.)

The Stelos system was adopted and used by many of the largest knitting mills in the United States, including the Berkshire Knitting Mills, the largest in the world.

By reason of the adoption of the Stelos method, large quantities of hosiery that could not have been repaired by

the finger method, were reclaimed and sold as "seconds" or even "firsts". (R. 185, fol. 555.)

Thus the Stelos Company started a brand new and much needed industry, employing hundreds of girls at good wages, many of whom were physically disqualified for usual gainful occupations, such as cripples, deaf mutes, and the like.

The Stephens Patent in Suit

The Stephens reissue patent appears in the Record, at pages 961 to 965.

In considering the subject-matter of the Stephens patent, it should be borne in mind that the Stephens method was devised as an improvement on the finger method previously used by Mrs. de Marr, in Mexico, and by others, such as is exemplified in the de Marr application (R. 1204).

In the finger method used by Mrs. de Marr, the fabric was stretched over the operator's finger and the hook of the needle used to pick up the threads and form them into loops by working *along the surface or over the top of the run* as shown in the drawings, particularly Fig. 4, of the de Marr application. (R. 1204.)

A similar surface method is graphically illustrated in Figs. 8 to 12 of Ortega, British specification, No. 180,730 (R. 1090). Figs. 11 and 12 of Ortega show clearly how the needle is moved *over the surface* of the run in order to form the loops. *In neither instance does the de Marr or Ortego needle reciprocate through the fabric, but both of them work over the surface, as was admitted by defendants' expert witness, Chapman.* (R. 672,706.)

When the Stephens application was filed, a clear distinction was pointed out in the specification between the invention of Stephens and the old finger method used by Mrs.

de Marr, a portion of which, appearing on page 1, of the Stephens patent (R. 962), lines 3 to 14, inclusive, and 58 to 78, inclusive, is as follows:

> "In repairing the runs or ravels in knitted goods, other needles have been used, but they are not practical, as the method of use is a tedious one, and trying both to the eyes and patience of the operator. In other methods, the fabric is stretched over the finger tip, making it difficult to insert the hook beneath the thread. This objection is obviated in the present invention **by stretching the fabric over a porcelain dish, allowing sufficient depth for the free use of the needle.**
>
> * * * * * *
>
> "With other needles and their method of use it is necessary to insert the hook into the first loop of the fabric to be repaired. This also applies where the partially repaired work has been slipped from the needle. With my invention and its method of use, the hook can be inserted at any point back of the running loop and the fabric run back to the loop that has been picked up. This makes it unnecessary to pick up a certain loop as must be done with other needles.
>
> "With other needles and their method of use, care must be used to see that each separate thread is picked up by the hook. This places a strain on the eyes. With my needle and its method of use this is not necessary as it is possible to pick up the threads faster than the eye can see the operation and therefore places no strain on the eyes".

One of the most important distinctions between the Stephens method and the prior finger method was Stephens' method of working *through the fabric,* with the needle inclined out of alignment with the run, or out of parallel with the surface i. e., *at a substantial angle,* which obviated the difficulty encountered in attempting to pick up the threads where the fabric was stretched over the finger and the needle operated parallel with the surface of the run. The patent states that the manner of use that had been practiced by Mrs. de Marr prevented the needle from being inserted

beneath the threads, but the Stephens invention obviated this objection *"by stretching the fabric over a porcelain dish, allowing sufficient depth for the free use of the needle"*. (Lines 12 to 14, page 1 of the Stephens patent) (R. 962). The Stephens method of working *through the fabric* is permitted by reason of the fact that the needle is inclined out of alignment with the run during the entire operation and is not swung down to a position parallel with the run, as in the de Marr and Ortega drawings. (R. 1204 and 1090, respectively.) The Stephens method has been termed a *punch or pump motion by reason of thus working up and down through the fabric.* In fact, it is the vital distinction between the Stephens method and the finger method, the former using a cup-shaped holder to permit the *punch motion through the fabric.*

The Stephens Method

In carrying out the Stephens method as described in the patent there is a *stretching* of the fabric over a suitable holder, such as a cup or porcelain dish, and while the operator *is stretching* the fabric, the needle is inserted in the last loop, or back of the last loop, and the run is extended to the needle by further stretching of the fabric. The operator reciprocates the needle up and down through the fabric, reforming the loops in the most natural manner and with the greatest speed. This is done with machine-like speed.

The manner of manipulating the needle in the punch method is partially illustrated in the respective views of Figs. 4, 5 and 6 of the Stephens patent (R. 961). These figures show exaggerated views of a portion of a run in a stocking, but the fabric is magnified to a greater extent than the needle in order to show as clearly as possible the manner of relooping.

Fig. 4 represents the needle inserted through a loop at or back of the end of the run designated *a*, and since the

needle passes down through the fabric at a substantial angle to the horizontal plane of the run, it passes under the next cross thread *b*, as is represented in this Figure. At this time the latch 4 is open, and as the needle is pushed down the loop *a* rides over and gets behind the latch so that when the needle is pulled up, the cross thread *b* will be caught in the hook. At the same time, the backward movement of the needle through the loop *a*, causes the loop *a* to push the latch to a closed position, trapping the cross thread *b* in the hook of the needle (Fig. 5), while the hook is being pulled through the loop *a*, which thereby forms a new loop *c* (Fig. 6) in the cross thread *b*. After being pulled through the loop *a* to form the loop *c*, the needle is again pushed down through the loop *c* of the fabric, the loop *c* moving the latch 4 to a fully open position.

The patent describes the magnetizing of the hook and latch sufficiently to repel the latch when it is released by the loop *a* between the positions shown in Figs. 5 and 6, but usually the magnetizing is not sufficient to fully open the latch but merely starts the opening action and the loop *c* moves the latch to a fully open position, as shown in Fig. 4, and at the same time the continued downward movement of the needle through the loop *c* would carry the needle to the position shown in Fig. 4, where the loop *c* would be behind the latch 4 in the position of the loop *a* in Fig. 4. That would complete the downward stroke of the needle and then it would be pulled up in a reverse direction, and the operation repeated, as described. Finally, after relooping all of the threads, the end loop or thread is fastened to hold the fabric and prevent another run.

Claim 23

The foregoing is substantially the process set forth in claim 23 of the patent, which reads as follows:

23. An improved method of repairing runs or rav-

elings in a fabric which consists in stretching the fabric over a suitable holder, inserting a repairing device having a hook and pivoted latch through a loop formed in the run or raveling, continuing this movement on through the fabric while holding the device laterally out of alignment with the run or raveling until the loop has slid back over the end of the latch and beneath the latter, then reversing the movement of the device through the loop, catching the next forward thread in the hook while the loop is being pulled over the latch causing the latch to close over the thread, and the loop to be cast off over the end of the device, the thread caught in the hook thereupon forming a new loop, taking the place of the first-described loop, then reinserting the device into the fabric as before, and repeating the operation until the run or raveling has been repaired, and finally fastening the thread.

The first step of the process set forth in this claim is the step of STRETCHING THE FABRIC OVER A SUITABLE HOLDER, which the operator would naturally do by hand.

This element of the claim was emphasized by the Court of Appeals of the District of Columbia in *Finch Corporation vs. The Stelos Co., Inc.*, 46 Fed. (2d) 606, 607:

"An element of prime importance in the method 'consists in stretching the fabric over a suitable holder'. Stevens was the first to discover and disclose this element, the use of which (it is not too much to state) has revolutionized the art. Its simplicity, now that Stevens has disclosed it, causes wonderment that it had not been discovered before."

Even defendants' expert witness, Chapman, admitted that it required "quite a bit of invention to utilize a holder of the proper type and manipulate the fabric relatively to the holder and at the same time operate the needle satisfactorily for the purpose of mending the run". (R. 649.)

Next, the claim recites the insertion of a repairing device (which is really the hook and latch needle) through a loop

in the run or raveling and *continuing this movement on through the fabric* while holding the needle laterally out of alignment with the run or inclined at an angle to the plane of the run, which distinguishes the punch method from the finger method by reason of the substantial angle between the needle and the horizontal plane of the run. In other words, with the finger method the needle would operate along the surface of the fabric as it would be moved back and forth. But in the Stephens method where the needle operates in a punch fashion *through the fabric,* as definitely stated twice in the claim, it would be raised out of alignment with or out of the horizontal plane of the run, and, in fact, at a considerable angle thereto. The claim recites that this movement of the needle continues on *through the fabric* until the loop has slid back over the latch to a position where it would close the latch when the movement of the repairing device is reversed through the loop.

On this reverse movement the hook of the device catches the next forward thread, such as the thread *b*, in Figs. 4 and 5, and as the reverse movement continues, the loop *a* causes the latch to close over the thread caught in the hook. The reverse movement continues until this loop *a* which has closed the latch is cast off over the end of the needle while the thread *b* has been pulled through the loop *a*, thereby forming a new loop *c*, in Fig. 6. Then the claim recites that the needle is REINSERTED INTO THE FABRIC and the operation repeated until the run has been reknit and the thread finally fastened.

The difference between the Stephens process, in which the device works up and down *through the fabric,* and the finger method, having the needle work back and forth along the surface of the fabric, is graphically illustrated by comparing this method just described with the drawings of the Ortega patent, (R. 1090), in which Figs. 8 to 12, show

the finger method very clearly and Figs. 11 and 12 show how the needle is moved over the surface. The de Marr application also illustrates the movement of the needle over the surface of the run in the finger method (R. 1204). *The finger method requires the operator to pick up each thread carefully with a sort of fishing action, which causes an excessive eye-train, and makes the work very slow and tedious, because with the finger method the eyes of the operator can never leave the work for a single instant, whereas in the Stephens method they can, and that constitutes a fundamental difference and advantage.*

Infringement

The question of infringement will be considered before any discussion of the prior art in connection with claim 23, because the validity of the claim was sustained by the Circuit Court of Appeals, for the Second Circuit, as well as by the Court of Appeals of the District of Columbia, and in all other prior adjudications.

The only question presented by plaintiff's petition No. 588, was the question of infringement.

The defendants' claim of non-infringement has been based, in the past, largely on the fact that they now use the Finch sliding latch needle instead of a pivoted latch needle, in carrying out the process. (R. 616.)

The Finch sliding latch needle now used by defendants is the same needle involved and used by the defendant, Finch, in the case of *The Stelos Company vs. Finch Corporation*, in the Supreme Court and Court of Appeals of the District of Columbia, (46 Fed. (2d) 606, 608) wherein both courts found that the sliding latch needle is the full equivalent of the pivoted latch needle *in the method claimed*, in spite of the fact that claim 23 mentions a pivoted latch on the repairing device merely as an instrumentality used in practicing the method.*

*The patents in the record recognize the equivalency of the sliding and pivoted latches: Armour, No. 52,256 (R. 988); Salisbury, No. 189,501, (R. 991); Van Dyke, No. 1,745,462 (R. 994); Fifield, No. 51,577 (R. 1029).

The Circuit Court of Appeals, for the Second Circuit, also held that infringement was not avoided by the use of a sliding latch needle instead of a pivoted latch needle, because "in the comparison (of the methods) we should disregard any description of the needle" (R. 1344). This holding was in accord with the recent decision of this Court in *Smith vs. Snow et al*, 293 U. S. —— (January 7, 1935) in which the Court stated:

> "Respondents do not avoid infringement of the method by varying the details of the apparatus by which they make use of it. *Cochran v. Deener*, 94 U. S. 780, 788; *Tilghman v. Proctor*, 102 U. S. 707, 730, 731".

As repeatedly held, the defendants do not avoid infringement of the process of claim 23 by using a sliding latch needle instead of an equivalent pivoted latch needle. The two perform precisely the same function in the method claimed. One swings in an arc, and the other swings in a straight line, in performing like functions. Both temporarily hold back one loop while the next cross thread of the ladder or run is hooked. Both close the hook and impound the cross thread therein on the reverse or upward movement of the needle. Both then form a bridge over which the loop is finally cast off in the formation of another loop which is drawn therethrough, being transformed from the hooked cross thread.

Defendants, in the past, have elaborated at length on the so-called notch in the sliding latch of the Finch needle which enables the formed loop to pass over the hump on the latch and behind the hump so as to close the latch when the movement of the needle is reversed. That is identical in effect and function with the movement of the loop over and behind the pivoted latch so as to close it when the movement of the repairing device is reversed. The hump on the sliding latch is the same in operation and effect as the end of the pivoted latch. Both are pressed toward the hook by the formed loop and close the hook. Both let the

formed loop pass thereover in order to get behind and close the latch. The notch in the sliding latch is the same in operation and effect as the space behind and beneath the end of the open pivoted latch, so far as the method claimed is concerned.

Thus the sliding and pivoted latch needles are the full equivalents of each other so far as the method of claim 23 is concerned, and it was so held, not only by the Circuit Court of Appeals, for the Second Circuit, but also by the Court of Appeals of the District of Columbia, 46 Fed. (2d) 606, 608.

The defendants operate the Finch sliding latch needle automatically by a motor, but the evidence of defendants' own witnesses shows that the power operation is the same as the manual operation involved in the Finch suit (Adamcik, R. 543; Chapman, R. 619). As a matter of fact, the testimony shows that the operators take some stitches by hand before turning on the power (R. 244, 541), and, furthermore, the exhibits and the testimony show that each operator is equipped with one hand needle for each machine (Finch, R. 246 and R. 1329). Therefore, the fact that defendants operate the needle by a motor, presents no different question of infringement from the one involved in the Finch suit in the Supreme Court and Court of Appeals of the District of Columbia.

There seems to be no question but that the holder used by the defendants, which has been described as an aluminum cylinder, is a suitable holder over which the operator is constantly "stretching" the fabric as described and claimed in the Stephens patent. In fact, Chapman admitted the equivalency as to the holder (R. 683).

The Court Found Non-infringement on One Element—One Word

The only part of claim 23 which the Circuit Court of

Appeals, for the Second Circuit, found avoided by defendants, was the clause: "while holding the device laterally out of alignment with the run". This was the clause of the claim which the Circuit Court of Appeals, for the Second Circuit, held was not used by the defendants in their method, because they attempt to show that they hold their needle vertically over the run rather than off at one side of the run, *but this is denied by plaintiff.* **It is admitted by all parties that the defendant holds their needle at a substantial angle to the plane of the run.**

Therefore, the question presented is whether the clause, "laterally out of alignment with the run" is limited to a position at one side of the run, or may be construed to cover the use of the needle at a substantial angle to the plane of the fabric, which was the intention of Stephens. **If the clause has the latter meaning, the defendants admit that they infringe.**

This was discussed in the opinion of the Circuit Court of Appeals, for the Second Circuit, as follows:

> "The plaintiff says that the clause means no more than that the needle shall be held at a substantial angle to the plane of the fabric, and so it was held by the Court of Appeals of the District of Columbia in Finch Corp. v. Stelos Co., 60 App. D. C. 25, 46 F. (2d) 606. We cannot agree. * * * * the words cannot be read as the plaintiff wishes. If Stephens had meant no more than that the needle should be held at a substantial angle to the fabric, he did not say so. The two straight lines of the needle and the 'run', since they meet, fix a plane. If that plane is normal to the plane of the fabric, the needle is not 'laterally out of alignment with the run'; it is directly over the 'run' as one looks down upon it from above. There cannot be the least doubt that the clause meant to exclude just that; and must exclude it unless we excise the word, 'laterally', altogether. Even if we should do that, the clause would be a most awkward one to express no more than that the needle should not be par-

allel with the fabric; fabric and 'run' are quite different things. As mere matter of verbal interpretation the construction is inadmissible". (R. 1344.)

This point of the interpretation of the clause "laterally out of alignment with the run" was neither briefed nor argued before the Circuit Court of Appeals, for the Second Circuit, and it was not discussed by nor relied upon by the District Court below as a reason for holding non-infringement. In fact, defendants themselves had not really urged that they avoided infringement by holding the needle over the run rather than off at one side, evidently recognizing that in either event it would be "laterally out of alignment with the run".

The opinion by Judge Learned Hand on this point treats the run as a line, whereas in fact, it is a plane, because a run has a width, when stretched, of from one-sixteenth to perhaps one-quarter of an inch, and it is in the plane of the fabric during the stretching over the holder. Judge Learned Hand stated that the "fabric and 'run' are quite different things", and while they are different in the sense that the run is in the fabric, they are both in the same horizontal plane. In other words, the run is in the plane of the fabric; the plane of the run is coincident with the plane of the fabric.

The run itself has no vertical plane normal to the plane of the fabric because there would be many planes perpendicular to the plane of the fabric and run which would extend lengthwise of the run. The needle may operate in one of those planes, but the needle and run are not, as the Judge seemed to indicate, mere lines which fix a plane.

When we bear in mind that the run is a plane coincident with the plane of the fabric, the location of the needle at a substantial angle to that plane, any angle, would be laterally of the plane of the run. Where the needle extends at an angle to the run, any angle, whether on one side or above, it would extend laterally of the run.

In other words, "laterally out of alignment with the run", really means at a substantial angle to the run, no matter whether that angle be vertical or oblique. "Laterally" has the meaning of "transversely", i. e., non-parallel. But Judge Learned Hand said "There cannot be the least doubt that the clause meant to exclude just that; and must exclude it unless we excise the word 'laterally' altogether". (R. 1345.) Evidently the Court recognized that the portion of the clause, "out of alignment with the run" does not limit the claim to a position off at one side of the run. Then, does "laterally" do so?

We find the word "laterally" defined in Webster's New International Dictionary, as follows:

> "laterally, *adv.* By, to, or from, the side."

But that leads to the further question, where is the side of the run? Does "side" mean in a horizontal direction from the run, or spaced horizontally from a vertical plane extending lengthwise through the run? The word "side" is defined as:

> "3. Any outer portion of a thing considered apart from, and yet in relation to, the rest; as the upper *side* of a sphere;"

Thus, we find that the side may be the top. The same dictionary defines "top" as:

> "4. The highest part of anything; the upper end, edge, or extremity; *the upper side* or surface;"

Therefore, we find that the "top" is the upper *side*, and that "laterally" means extending from "the side", which may mean from the top. So, the word "laterally" in the claim is properly used to designate the relation of the needle as extending from the top of the run, or at an angle to the plane of the run and fabric. The dictionary supports plaintiff's interpretation of the clause, and it is not necessary to excise the word "laterally" from the claim in order to so interpret it.

The angle of the needle to the run could not be horizontal, so far as this method claim is concerned, because the claim recites that the needle passes *through the fabric*, which it could not do unless the needle is raised at a substantial angle to the plane of the fabric, but when thus considering the entire clause—"continuing this movement on through the faric while holding the device laterally out of alignment with the run", it is quite rational and admissible to hold that this clause means, at an angle to the plane of the fabric.

Whether or not the clause is an awkward expression or is not an apt definition should not weigh against the evident and intended meaning of the patentee. *Loudon Machinery Co. vs. Strickler* (C. C. A. 7) 195 Fed. 751, 756; *International Cork Co. vs. New Process Cork Co.* (C. C. A. 2) 6 Fed. (2d) 420, 422.

When we refer to the file wrapper of the Stephens original application we find that the only reference mentioned in connection with the method was Pogson, British Patent No. 168817 (R. 1127), which the Examiner had mentioned in connection with the method of original claim 10 (R. 1363B). This British patent, which was not sealed but may be considered a publication, was held by the Circuit Court of Appeals, for the Second Circuit, as disclosing "a needle, with a hook and a pivoted latch, and a stitch like Stephen's, except that there was probably no holder, the fabric being held over the fingers and the stroke substantially horizontal". (R. 1342.)

Thus Pogson like de Marr (R. 1204) operated the needle approximately along the plane of the fabric or parallel therewith, as distinguished from at a substantial angle to the plane of the fabric. To distinguish from Pogson, it was necessary to define in the claim only the inclined relation of the needle with respect to the plane of the fabric.

Original claim 10 had mentioned the stretching of the fabric over a suitable holder, but it did not recite the movement or insertion of the needle *through or into the fabric*, as distinguished from along the surface of the fabric as in Pogson. The Circuit Court of Appeals, for the Second Circuit, indicated that the mention of the holder "implied that the needle could and evidently would be held at a substantial angle to the fabric", but that does not follow, because the horizontal or surface method of Pogson can be carried out as well and in the same way on a holder such as an egg cup as on the operator's finger. At any rate, the Patent Office requires that an allowable claim recite positively, the characteristics which distinguish it from the prior art, and not, by mere inference, as would be the situation suggested.

The Circuit Court of Appeals, for the Second Circuit, said, with respect to plaintiff's interpretation of the clause:

> "• • • the words cannot be read as the plaintiff wishes. If Stephens had meant no more than that the needle should be held at a substantial angle to the fabric, he did not say so". (R. 1344).

That is exactly what he did mean; the expression may have been awkward, perhaps inapt, but it is submitted the court should determine what was meant and construe the claim accordingly. The claim might have been somewhat clearer if it had said "laterally or out of alignment", as alternative expressions meaning the same thing, namely, that the needle is not in the plane of the fabric, but is inclined at a substantial angle to the fabric.

The Court continued:

> "There cannot be the least doubt that the clause meant to exclude just that".

Why should it have meant to exclude it? There was no prior art cited showing the needle vertically in the plane

of the run. The Pogson British patent (publication) (R. 1129) was the only reference mentioned in connection with the method and the Circuit Court of Appeals, for the Second Circuit, held that Pogson disclosed only a horizontal stroke, if anything. Therefore, the only limitation forced upon Stephens by the prior art was the one which he is now urging, namely, *a substantial angle to the plane of the run. This was his discovery and achievement.*

Furthermore, the defendants have repeatedly urged heretofore, particularly in their brief before the Circuit Court of Appeals, that the clause, "laterally out of alignment with the run", is "shown by Pogson", and, again, that Pogson "shows the needle laterally out of alignment with the run". What did they mean by these statements in their arguments and Brief? If they meant, at a substantial angle to the plane of the run, as interpreted by the Court of Appeals of the District of Columbia, and as intended by the patentee, this indicates that the defendants' counsel have accepted this as a proper interpretation of the clause. On the other hand, if they meant off to one side of the run, this could not have been the distinction between the claim and Pogson, if shown by Pogson, so as to work an estoppel under *Smith vs. Magic City Kennel Club,* 282 U. S. 784, 790. If this were not the distinction from the prior art, it would be an immaterial limitation, and infringed by the defendants' equivalent position.

In this connection the Circuit Court of Appeals, for the Second Circuit, referred to the guard 6 of the needle (R. 961). The Court suggested that it would "appear easier to hold the needle off to the same side of the fabric that the guard is to the shank; though no doubt it could be done otherwise". This is an erroneous assumption. The guard would have exactly the same effect whether the needle is held off to one side of or directly over the run.

The reason for holding the needle off to one side of the run is because it is natural to hold the needle in that position. There is another reason too, the off-side relation facilitates the closing of latch 4 over the cross thread and forcing it into the hook, a feature included in original claim 10, but omitted from claim 23. Defendants have attempted to read this limitation into claim 23 because it was in claim 10, but the Courts below have consistently refused to give the claim any such construction.

Since claim 23 definitely omitted the clause of original claim 10 "grasping the adjacent thread with the latch forcing it into the hook", it seems clear that the patentee did not intend to be limited to the offside position for holding the needle, which is all the more reason for construing the clause "while holding the device laterally out of alignment with the run" in the sense of *holding it at an angle to the plane of the fabric.*

It will be noted that original claim 10 (R. 1363B), for which claim 23 was substituted, contained a limitation to "grasping the adjacent thread with the latch forcing it into the hook". This was a characteristic of the offside position of the needle when punching through the fabric. However, this limitation was purposely omitted from claim 23, which clearly indicates that the claim was not to be limited to the location of the needle off at one side of the run.

Now the Court below has read into the claim the very limitation that was expressly omitted, namely, the offside location of the needle.

Instead of having the usual situation where a patentee tries to excise a limitation which he put in to avoid the prior art, we have a situation in which the Court below has virtually read into the claim, a limitation which the patentee expressly omitted.

The Claim is the Criterion of Infringement—Not the Specification

The scope of the Stephens patent is to be determined by the *claim* in suit and not by the detailed description in the specification.

> "The invention, of course must be described and the mode of putting it to practical use, but *the claims measure the invention*". (*Continental Paper Bag Co. vs. Eastern Paper Bag Co.*, 210 U. S. 405, 419).

If, therefore, equivalents of the elements of the claim in suit are to be found in the defendants' operations, then a finding of infringement should have followed.

It was the failure of the Court to understand or appreciate the angular operation of the needle that led to the erroneous conclusions on the scope of the Stephens patent. The opinion of the Court frankly admitted that it was unable to see why Stephens' needle was held off at one side unless it was because of the side guard, an element not in the claim and purposely deleted therefrom. Had the Court understood the angular relation of the needle and appreciated its effect, it would not have failed to apply the rule that the specification does not limit the invention claimed. *Winans vs. Denmead,* 15 How. 330, 343; *Smith vs. Snow et al,* 293 U. S. ——— (January 7, 1935).

While it is natural to hold the needle off at one side of the run, as one would hold a pen or pencil, if the run should be turned slightly so as to extend toward the hand of the operator rather than toward her body, the needle might be held in the same position and yet be directly over the run or in a vertical plane extending longitudinally of the run.

There is not a word to indicate that the patentee contemplated thus limiting his method. The Circuit Court of Appeals, for the Second Circuit, referred to the function

of the side guard, but that was expressly omitted from claim 23 and there was no warrant for reading into the claim what was thus purposely omitted. In fact, the Court stated "though no doubt it could be done otherwise" and "It is not, however, necessary that we should commit ourselves to this purpose of the disputed element in the claim, and we do not".

The Circuit Court of Appeals, for the Second Circuit, seems to have overlooked the fact that the disputed clause is not a step in the method claimed. It is only a part of a step. The entire step is "continuing this movement on through the fabric while holding the device laterally out of alignment with the run". The movement through the fabric can only be made when the needle is inclined to the plane of the fabric. If the needle were parallel with the run, as in Pogson, it could not be moved through the fabric. So, to make this difference clear, the claim recites the movement "*through the fabric* while holding the device laterally out of alignment with the run", out of parallel with the run, or inclined to the plane of the run.

It seems evident, when taken as a whole, that the patentee did not intend to be restricted to holding his needle off at one side of the run; the defendants have urged that this was not a distinction over Pogson; and when coupled with the preceding portion of the claim, "continuing the movement on *through the fabric*", it means the movement or insertion of the needle into and through the fabric while at a substantial angle to the plane of the run, so as to distinguish thereby from the surface or horizontal method of Pogson and de Marr.

The Claim Should Not be Limited so as to Deprive the Patentee of His Actual Invention

The Court below did not give to the Stephens patent that fairness of treatment to which it is entitled in view of the

invention actually made and what it has accomplished in this art.

The Stephens invention has not merely revolutionized the prior art; it has built a new industry, and its claim is entitled to cover that which accomplished that great advance. Its commercial success and acceptance in the trade, accompanied by the widespread adoption of its principles and the complete replacement of the archaic finger method, entitle it to something better than a forced narrow interpretation of the claim.

> "Where an invention is one of a primary character, and the mechanical functions performed by the machine are, as a whole, entirely new, all subsequent machines which employ substantially the same means to accomplish the same result are infringements, although the subsequent machine may contain improvements in the separate mechanisms which go to make up the machine". (*Morley Machine Co. vs. Lancaster*, 129 U. S. 263, 273).

That is even more true of a process, when even the means should be disregarded, and an equivalent process should be held an infringement if it does substantially the same work in substantially the same way and accomplishes substantially the same result, *Finch Corp. vs. The Stelos Co., Inc.*, 46 Fed. (2d) 606, 608.

Admittedly the Court below adopted a very narrow construction of the claim. In so doing, it banished those considerations which should have weighed in the scale in favor of the Stephens patent. Stephens undoubtedly evolved an entirely new principle in the art of reknitting runs by just what is recited in his claim, the method of *working through the fabric*, and his invention has been adopted and followed by every worker in the art since. His conception, as we have pointed out, has been the foundation of an immense business, and has been the inspiration for countless imitators. The Court refused to follow the established rule

which was laid down by this Court in dealing with inventions of this type, as stated in *Eibel Process Co. vs. Minnesota & Ontario Paper Co.*, 261 U. S. 45, 63:

> "In administering the patent law the court first looks into the art to find what the real merit of the alleged discovery or invention is and whether it has advanced the art substantially. If it has done so, then the court is liberal in its construction of the patent to secure to the inventor the reward he deserves".

As this Court stated further in *Smith vs. Snow et al*, 293 U. S. —— (January 7, 1935):

> "If the matter were doubtful, it is plain from what has been said that the character of the patent and its commercial and practical success are such as to entitle the inventor to broad claims and to a liberal construction of those which he has made. *Morley Machine Co. vs. Lancaster*, 129 U. S. 263, 273-277; *Eibel Co. vs. Paper Company*, 261 U. S. 45, 63; *Winans v. Denmead, supra*, 341. In such circumstances, if the claim were fairly susceptible of two constructions, that should be adopted which will secure to the patentee his actual invention, rather than to adopt a construction fatal to the grant. *Keystone Manufacturing Co. v. Adams* 151 U. S. 139, 144, 145; *McClain v. Ortmayer*, 141 U. S. 419, 425".

As stated in the *Brake Beam* case (106 Fed. 693, 715):

> *"That interpretation which sustains and vitalizes the grant should be preferred to that which strikes down and paralyzes it".*

Indeed, it would be a very narrow claim if it might be avoided with a slight shift of the wrist, or of the hose. It would be virtually impossible to tell, in any instance, whether operators are holding the needle directly over the run or off at one side, because different operators hold the needle in different ways and they very often shift around in use. Defendants' own operators do not always hold the needles directly over the run, as will appear from the testi-

mony to be referred to hereafter, and defendants do not even claim that they do.

There is no support, therefore, for restricting this claim to a particular angle of the needle, off at one side of the run, as held by the Circuit Court of Appeals, for the Second Circuit, which position is in direct conflict with the Court of Appeals of the District of Columbia. We submit that the latter is the only logical interpretation, i. e., *inclined to the plane of the run*, and the one perfectly reasonable construction which will not be "fatal to the grant".

Plaintiff is Not Limited by the Cancellation of Original Claim 10, in Lieu of Claim 23 in Suit, to the Particular Arrangement of the Needle Urged by Defendants to Escape Infringement

Cancelled Claim 10 of Original Application	Claim 23 of Stephens Patent
(1) A method of needle work which consists in	(1) An *improved* method of repairing *runs* or *revelings* in a fabric which consists in
(2) stretching a fabric over a suitable holder, and	(2) stretching the fabric over a suitable holder,
(3) inserting a needle having	(3) inserting *a repairing device* having
(4) a *magnetized, curved* hook,	(4) a hook
(5) a *magnetized curved* latch or bridge	(5) and *pivoted* latch
(6) *and a beveled side guard*	(6)
(7) through the loop of the run or raveling	(7) through a loop formed in the run or raveling
(8)	(8) *continuing this movement on through the fabric while holding the device laterally out of alignment with the run or raveling until the loop has slid* back over the end of the latch and beneath the latter,
(9) *grasping the adjacent thread with the latch forcing it into the hook*	(9)
(10) *pulling the thread* through the loop,	(10) *then reversing the movement* of the device through the loop,
(11) grasping the next thread *forcing it* into the hook	(11) catching the next forward thread in the hook while
(12)	(12) the loop is being pulled over the latch *causing the latch to close over the thread,*
(13) and pulling it through the loop formed, etc.	(13) and the loop to be *cast off* over the end of the device,
(14)	(14) the thread caught in the hook thereupon forming a new loop taking the place of the first-described loop,
(15)	(15) then reinserting the device into the fabric as before and repeating the operation,
(16) until the run or raveling is repaired.	(16) until the run or raveling has been repaired.
(17)	(17) and finally fastening the thread.
(R. 1363B.)	(R. 965).

Although the record on the question of equitable estoppel is the same here as it was in the case of *Finch Corp. vs. The Stelos Co., Inc.*, 46 Fed. (2d) 606, based as it is on the original file wrapper of the Stephens application, the Circuit Court of Appeals, for the Second Circuit, stated:

> "Any new feature or step in the method claimed in claim 23 over claim 10, therefore became essential to an infringement, an element with which the doctrine of equivalents would not allow the patentee to dispense. Smith v. Magic City Kennel Club, 282 U. S. 784, 790, 51 S. Ct. 291, 75 L. Ed. 707. The question is, whether there was any such feature, and what it was, remembering that in the comparison we should disregard any description of the needle.
>
> We have in general stated the steps of claim 23 at the beginning; when however we deliberately left out the following clause: "While holding the device laterally out alignment with the run". This is the position in which the needle is to be held in its original forward movement, during which the first loop passes beyond the end of the latch. Except for it there are no differences in the two methods, save some increase in particularity; if each claim be read with the specifications, it covers exactly the same method if this element be disregarded." (R. 1344.)

In view of the holding of equitable estoppel, claim 10 of the original Stephens application has been set forth above, broken up into paragraphs for comparison with claim 23 of the patent in suit. It should be apparent from a comparison of these claims that there is a vast difference between them:

(1) Even the preambles are different. Original claim 10 recited a "method of needle work", while claim 23 of the patent recites "an *improved* method of repairing runs or ravelings", thus recognizing that it was not broadly a needle work process and further, that it did not purport to be the first method of repairing runs, but it was an *improved* method.

(2) The second clauses are substantially the same.

(3) Original claim 10 recited "a needle", whereas claim 23 recites more broadly "a repairing device".

(4) Here we have material characteristics of the hook of the needle defined in original claim 10, namely, that it is magnetized and curved, thus limiting it to the specific new needle invented by Stephens and covered by claims 1 to 22, of the patent, but claim 23 of the patent purposely is not so limited, for it recites merely "a hook".

(5) Here again is a material feature of the Stephens *needle*, included in original claim 10 as "a magnetized curved latch or bridge", whereas claim 23 of the patent merely recites a "pivoted latch".

(6) Original claim 10 recited specifically the side guard of the needle which was wholly omitted from process claim 23 of the patent.

(7) These clauses are substantially alike.

(8) This is a qualification in the claim of the patent which nowhere finds its counterpart in original claim 10, and it is a distinguishing feature because this part of claim 23 *defines the punch method of working through the fabric* as differentiated from a surface method of *working along or in line with the run.* In fact, this feature of claim 23 defines the position of the repairing device *as inclined out of alignment with the run and working through the fabric* for the very purpose of distinguishing from the finger method used by de Marr, and by Pogson. The defendants use this exact feature of the claim. Since this step of working THROUGH THE FABRIC was not defined in original claim 10, and was inserted in claim 23 for the very purpose of distinguishing from the finger method, appellant is not attempting to secure a construction of the claim as broad in this respect as original claim 10 for the

obvious reason that this is one of the important distinguishing features between claim 23 and the old finger method. Appellant's is a punch method and so is the method used by defendants, which latter is the full equivalent of this feature of claim 23 of the patent.

(9) This section appears only in original claim 10 and defines a characteristic of the Stephens needle *which is not included in claim 23*, namely, that it grasps and forces the thread into the hook.

(10) These sections of the claims are substantially the same, except that in claim 23, there is recited the reversing of the movement of the device, whereas claim 10 recited merely the pulling of the thread through the loop.

(11) This section of claim 23 is broader than original claim 10, which latter defined the forcing of the thread into the hook, whereas claim 23 merely recites that the latch *closes over*, i. e., impounds, the thread in the hook, a distinction incorporated in claim 23 of the patent for the very purpose of making it broader to cover a step in which the hook of the needle catches the thread, and the latch closes the hook and prevents the escape of the thread, *just as done by defendants.*

(12) Original claim 10 did not recite that the latch or bridge served to hold the thread in the hook while the hook is pulled through the loop but that was incorporated in claim 23, which defines the closing of the latch over the thread in the hook by the loop, *just as done by defendants.*

(13) These sections are substantially the same, although recited more clearly in claim 23.

(14, 15) These sections appear only in claim 23 and describe the formation of succeeding loops by *reinsertion of the device into the fabric*, as distinguished from hooking the threads of the run *on the surface, as in the finger method.*

(16) These sections are substantially the same.

(17) This is a section appearing only in claim 23, and not in original claim 10, but it is a necessary step for completing the repairing operation by fastening the thread at the end.

To recapitulate, sections (6), and (9) of claim 10 were entirely omitted from claim 23, while sections (4), (5), and (11) of claim 10 were much broadened in claim 23. On the other hand, sections (8), (12), (14), (15), and (17) were inserted in claim 23 and did not appear in claim 10, but *all of the additional steps or their equivalents are used by defendants.*

The sections of claims 10 and 23 have thus been compared for the purpose of showing that the *punch-method* is recited in claim 23, but was not recited in original claim 10, whereas claim 10 recited specific characteristics of the structure of the needle which were not only unnecessary to the performance of the method, but in fact were criticized by the Patent Office Examiner as bad in form and objectionable in a method claim. *Furthermore, that was the only rejection and objection advanced by the Examiner against original claim 10, who stated:*

> "Claim 10, which is drawn to *the combination of a method and a specific construction of the needle* is rejected. The invention, if any, resides in the specific element. The alleged method is fully disclosed in Pogson". (R. 1365.)

Thus we see that claim 10 was not really a method claim, and also that it was never rejected on Pogson, or any other prior art. In fact, no method claim in the Stephens application was ever rejected on prior art. So, as distinguished from the usual situation, *we do not have one here where a claim was persistently rejected on prior art and was amended or rewritten to avoid repeated rejections.* The difference between an estoppel as against a combination

claim, and the method claim involved here, will be evident from the definition of such an equitable estoppel, by Mr. Chief Justice Hughes in *Smith vs. Magic City Kennel Club*, 282 U. S. 784, 790, in which he stated:

> "• • • that limitations imposed by the inventor, especially such as were introduced into an application after it had been *persistently rejected*, must be strictly construed against the inventor and looked upon as disclaimers". (Italics ours).

In every such case, it is believed that it will be found that the rejections were based on prior art, and not on formal grounds, which was the only rejection urged against original claim 10.

Furthermore, it would seem to be obvious that original claim 10 did not really define the characteristics of the Stephens punch method.

Original claim 10 did not contain "any direct statement of the punch method which consists in stretching the fabric over a suitable holder and then manipulating the needle, which perhaps connotes a punch method but does not say so directly". (Dahn, Rec. p. 941).

The only reason for rewriting original claim 10 was to cure its defective form and to eliminate structural limitations, while at the same time to define the punch process more definitely.

The utility of the stretching operation and of the suitable holder defined in the patent was not brought out in original claim 10 whereas it was in claim 23 by including the punch method whereby the needle *would work through the fabric and be reciprocated while out of alignment with* or *at a substantial angle to the run.* The holder used by Stephens permitted such reciprocation of the needle through the fabric and permitted manipulation of the fabric and proper stretching in accordance with the work-

ing of the needle through the fabric. It was only by defining that punch method that the important characteristics of the Stephens invention could be brought out, but the punch method was not clearly and fully defined in original claim 10.

Consequently the rewriting of the claim to define the new punch method devised by Stephens and now used by defendants was not in any way an act which would create an estoppel such as would restrict the method claim beyond its expressed limitations and leave out of the claim the use of the same method by defendants.

Defendants are not using the method recited in original claim 10; they do not even claim to be. That is significant. Plaintiff is not attempting to construe claim 23 to have the same meaning and scope as original claim 10. Instead of copying the method of claim 10, defendants are using the punch method defined by claim 23, and therein lies the infringement.

The decisions on estoppel hold that only limitations included to avoid prior art are strictly construed against the patentee. A patentee is not estopped as to an immaterial element of a claim, not incorporated to avoid prior art, and of which the infringer uses a full equivalent, as an upright position instead of a slanting position of the needle.

Element Added in Claim Not Necessarily Essential to Infringement if it Was not the Principal Distinction from Prior Art.

Even if the clause "laterally out of alignment with the run" is construed as defining a position at one side of the run, as held by the Circuit Court of Appeals, it is submitted that plaintiff is not estopped by cancellation of original claim 10 from invoking the doctrine of equivalents as to this clause in the claim.

The Court of Appeals of the District of Columbia found that an upright position of the needle at right angles to the plane of the fabric was the equivalent of the position claimed, giving a range of equivalents according to the distinction between the claimed invention and the prior art. *The real distinction, as pointed out above, resides in the punch method through the fabric and that was the principal difference between the methods of claims 10 and 23.*

Such a holding is not inconsistent with the decision of this Court in *Smith vs. Magic City Kennel Club, supra,* the doctrine of which has been well established for a long time. This was also expressed by this Court in *Smith vs. Snow et al,* 293 U. S. —— (January 7, 1935), as follows:

> "We find nothing in the file wrapper defense to disturb our conclusion as to the correct interpretation of claim 1. It is a familiar rule that a patentee cannot broaden his claim by dropping from it an element which he was *compelled* to add in order to secure his patent. *I. T. S. Rubber Co., v. Essex Rubber Co.,* 272 U. S. 429, 443; *Smith v. Magic City Club,* 282 U. S. 784, 789,790. But the file wrapper lends no support for the application of this rule to petitioner's claim 1".

It will be noted that the Court said "*compelled* to add" which is not true here with respect to an interpretation of "laterally" as off at one side of the run.

The rule of *Smith vs. Magic City Club* does not apply in the instant case, because the doctrine mentioned does not estop the patentee from claiming a fair interpretation of his claim as actually granted. As stated in *Hubbell vs. United States,* 179 U. S. 77, 80:

> "While not allowed to revive a rejected claim, by a broad construction of the claim allowed, yet the patentee is entitled to a fair construction of the terms of his claim as actually granted."

This principle is also followed in practically all of the

Circuit Courts of Appeals in the United States, including the Second Circuit, as indicated by the following decisions: *Deitel vs. Unique Specialty Corp.* (C. C. A. 2) 54 Fed. (2d) 359, 360; *Farrington vs. Haywood* (C. C. A. 6) 35 Fed. (2d) 628, 631; *Eggleston vs. Milwaukee Heater Mfg. Co.* (C. C. A. 7) 199 Fed. 147, 151; *New York Scaffolding Co. vs. Whitney* (C. C. A. 8) 224 Fed. 452, 462; *National Hollow Brake-Beam Co. vs. Interchangeable Brake-Beam Co.* (C. C. A. 8) 106 Fed. 693, 714; and *Angelus Sanitary Can Machine Co. vs. Wilson* (C. C. A. 9) 7 Fed. (2d) 314, 318.

One of the early cases on this question which has been referred to in most of the above decisions and followed almost universally was *National Hollow Brake-Beam Co. vs. Interchangeable Brake-Beam Co., supra,* in which the Court stated:

> "It is true that if a patentee acquiesces in the rejection of his claim on references cited in the Patent Office, and accepts a patent on an amended claim, he is thereby estopped from maintaining that the amended claim covers the combinations shown in the references, and from claiming that it has the breadth of the claim that was rejected. (Cases cited). *But this is the limit of the estoppal. One who acquiesces in the rejection of his claims because it is said to be anticipated by other patents or references is not thereby estopped from claiming and securing by an amended claim every known and useful improvement which he has invented that is not disclosed by those references".* (714 of 106 Fed.) (Italics ours).

The Circuit Court of Appeals, for the Second Circuit, was clearly in error in its conclusion that the clause "while holding the device laterally out of alignment with the run" was the only difference between the methods of claims 10 and 23, which erroneous premise led to an erroneous conclusion, that plaintiff was thereby estopped from any range of equivalents as to that clause. We find in all of the foregoing decisions that a patentee is entitled to a range

of equivalents commensurate with his invention *over the prior art*, so long as he doesn't attempt to construe the claim as broadly as the claim cancelled during the prosecution of the application.

Here we find that this point of difference "laterally out of alignment with the run" is a point which defendants have consistently urged is disclosed in the prior art, (Pogson), so that it could not have been a distinction, and in fact it was not unless interpreted according to the decision of the Court of Appeals of the District of Columbia as meaning inclined to the plane of the fabric, to give added meaning to the preceding portion of the clause, "continuing this movement on through the fabric". **That is the meaning urged for the clause by plaintiff and it was the meaning intended to be conveyed in defining the Stephens punch method through the fabric, to distinguish it from the surface or finger method.** When claim 23 was introduced the feature of working at one side of the run was purposely omitted from the claim and it should not be included by implication, because it would materially restrict the claim beyond its expressed and intended meaning.

The Evidence Shows that Defendants do Hold Their Needle Off at One Side of the Run and, Therefore, They Infrange, Even According to the Interpretation of the Circuit Court of Appeals, for the Second Circuit

The opinion of the Circuit Court of Appeals, for the Second Circuit, apparently turned on the erroneous assumption that defendants do not hold their needle off at one side of the run, whereas they do, as the record indisputably proves, although the point was not touched upon in the opinion of the District Court below and was neither briefed nor argued before the Circuit Court of Appeals, for the Second Circuit, except by the petition for rehearing (R. 1351), which was denied *per curiam* (R. 1358).

Witnesses Prove Infringement

The evidence on infringement shows in at least twelve different answers and by no less than seven different witnesses, that defendants' operators do hold the needle off at one side of the run, so as to be laterally out of alignment with the run, even according to the interpretation of this clause by the Circuit Court of Appeals, for the Second Circuit.

This was proven not only by a number of plaintiff's witnesses but also by the demonstration in court by defendants' operator and the *admissions of the operator that the needle is held off at one side in the use of defendants' machines.* In fact there has been little question on this point, which probably accounts for the failure to emphasize it before the Circuit Court of Appeals, for the Second Circuit.

Defendants' own demonstrator and witness, Adamcik, demonstrated in court defendants' process and held the needle laterally at one side of a plane perpendicular to the fabric and passing through the run. She testified with respect thereto as follows:

"• • • You can hold it a little to the side". (R. p. 537, fol. 1609).

• • • • •

"XQ. 104. I notice that occasionally *you are sending it just a little off to the side.* A. Yes, sir.

• • • • •

"XQ. 106. But sometimes they do work it off at the side? A. *Some girls have a tendency to put it over to one side,* • •

• • • • •

"XQ. 109. You are now using it *a trifle off parallel now.* A. *Just slightly".* (R. p. 541, fols. 1621 and 1622).

• • • • •

"• • • *Some of the girls hold it just about the way you hold a pen or pencil.* • • • they just change and hold it to the side. It flops very easily,

because the needle is straight". (R. p. 544, fols. 1630 and 1631).

Plaintiff's witness, Losh, testified: . .

"I saw the Vanitas system of hosiery repair in operation at the Knitting Arts Exhibition at Philadelphia, Pennsylvania, in the spring of 1930. At that exhibition, the Kayser Hosiery Motor-Mend Company had a public demonstration of the operation of the Vanitas system. I watched the operator * * * *working at an angle, to the side,* * * * *holding the needle always at an angle to the plane, an angle away from the line of the fabric in the position as a man would naturally hold a pen or pencil*". (R. pp. 171 and 172, fols. 513, 514 and 515).

Plaintiff's witness, Dickson, testified as follows:

"* * * I saw the Vanitas system demonstrated to me in the offices of the Kayser Hosiery Motor-Mend Corporation in New York City by their own demonstrators. * * * The needle was held in a way convenient to the operator. *They held it off to the side of the run they were repairing.* They would hold it more or less at an angle. No one girl would operate at an angle like another girl. Different girls operated it different angles to the plane of the fabric. I saw the manner in which the needle of one of the girls was held, and *she would hold it first over this way and then sometimes over that way.* She would operate it that way." R. pp. 188 and 189, fols. 564-566).

Plaintiff's witness, Storb, testified as follows:

"* * * A little later in the day, we went to Gimbel's * * * We actually saw the machines in operation. *The young ladies held the needles the way our girls held the Stelos* needles. They place the fabric over an egg cup or holder; such as we used, started the run exactly the same as our girls started the run, with hand needles. After they started the run, they turned on the power and the machine automatically knit the fabric. I saw that with my own eyes. (R, p. 202, fols. 605-606).

Plaintiff's witness, Crosby, testified as follows:

"At the Knitting Arts Exhibit, there were three girls demonstrating the Vanitas system. It was the first girl closest to the rail that I observed. • • • *She held that device at an angle away from the fabric and off in what could best be described, I presume, as a natural writing position for pen or pencil.*

• • • • •

"I also observed the other girls and found that they were operating in the same manner although the two girls held their devices at different angles. They were not all the same, but *they all came within the general description of the convenient way of holding a pen or pencil*". (R. pp. 223 and 224, fols. 668-671).

Plaintiff's witness, Harvey, testified as follows:

"I observed that operation of the Vanitas System, at the Colonial Hosiery Repair Company, New York City. • • • The first observation I made at the Colonial was in April or May, 1930. *The girl held the operating device at an angle off the plane of the stocking in the same position one would hold a pen or pencil.*" (R. pp. 233 and 234, fols. 699-701).

Plaintiff's expert witness, Dahn, testified as follows:

"I have seen the Vanitas system, what I understood to be Vanitas system, in use, so advertised at the Hosiery Show in Philadelphia, in the spring of 1929 and 1930, as I recall.

• • • • •

"According to my recollection and observation she held this needle or the instrument, *the needle holder over to the right of the vertical plane, passing through the run rather than directly in the plane*". (R. pp. 792 and 793, fols. 2375-2377).

The Vanitas system or machine referred to by some of the witnesses is conceded to be the system or machine used by defendants, as represented by Van Dyke patent No. 1,745,462, (R. 994-1000), which patent shows the needle in Fig. 6, (R. 994) turned laterally of the run.

The foregoing testimony and the demonstration in the District Court by defendants' operator, Adamcik, are believed to show conclusively that defendants' method comprises one way of holding the needle "laterally out of alignment with the run", to wit, at one side of a plane which is perpendicular to the plane of the fabric and passes through the run, as the clause was interpreted by the Circuit Court of Appeals, for the Second Circuit, and apparently the District Court so found, since there was no finding by the latter, of lack of infringement or of estoppel with respect to the words in the claim "laterally out of alignment with the run".

In connection with this testimony, attention is also called to Finch Patent No. 1,674,508 (R. 966A), which states on page 2, thereof, lines 120 to 122:

> "The needle may, however, be operated satisfactorily when it is held slightly out of such lateral alignment with the run".

Therefore, although defendants willingly admit that their operators hold the needle directly over the run, the testimony shows that *at least some of the time they hold the needle off at one side of the run*, and this coupled with the teaching in the Finch patent that the Finch sliding latch needle used by defendants may be operated off at one side of the run or laterally out of alignment with the run, as Finch interprets it, and the teaching in the Van Dyke patent, (R. 984), both of which are followed by defendants, proves infringement.

It is self-evident that if the claim is infringed some of the time, there is, nevertheless, infringement.

The Prior Art Emphasizes That Stephens' Claim Should Not be Limited and is Valid

Although the Circuit Court of Appeals, for the Second Circuit, reversed the decision of the District Court below

and sustained claim 23 as valid, the defendants' cross-petition No. 653, has been granted by this Honorable Court to review the validity of the claim in connection with the prior art, if the Court finds that the decision of the Circuit Court of Appeals, for the Second Circuit, on infringement, should be reversed.

None of the prior patents or uses approaches the Stephens invention or in any way requires limitations to be imposed on claim 23, which would relieve the defendants of the charge of infringement. A consideration of them merely serves to emphasize that the Stephens claim should be construed as we have outlined, and to cover what it expresses.

Pogson British Patent No. 168,817 (R.1127)

This British patent was never sealed and, therefore, it is not really a patent but has been relied upon as a publication. The record contains several examples of this patent, a second edition of which was published in 1929, after this suit was filed. This second edition was evidently procured for the purpose of confusing the Court and apparently it succeeded with the District Court below, but the Circuit Court of Appeals saw through the scheme and confined its attention to the first edition (R. 1127), which is the only one, if any, that may be referred to as prior art in connection with the Stephens patent.

This Pogson patent is the most venerable of all the old chestnuts which have been examined by the Patent Office and the Courts and invariably rejected as failing to anticipate Stephens. It was cited by the Patent Office against the Stephens application and the claim allowed over it. It has been relied upon by the defendant as the principal reference, in every suit that has been tried on this Stephens patent. It has been consistently dropped out as unconvincing and as failing to anticipate the Stephens invention,

because it is evidently only another example of the old French or finger method in which the needle operates along the surface of the run. **The disclosure is vague, indefinite and inadequate for any useful purpose, and it does not constitute a disclosure of the Stephens punch method through the fabric.**

The comments of the Circuit Court of Appeals, for the Second Circuit, on this patent, are of interest:

> "A British patent to Pogson, 168, 817 (1921), which was never indeed sealed, but is a publication within the statute, disclosed a needle, with a hook and a pivoted latch, and a stitch like Stephen's, *except that there was probably no holder, the fabric being held over the fingers and the stroke substantially horizontal.* The exact meaning of the specifications and figures of this patent are not important, because even if it were finally determined that the needle was to be used over some holder, as a disclosure *it is too uncertain to be a good anticipation. It did not invalidate the patent, any more than did the failure to disclose an egg-cup as the 'suitable holder', as the judge supposed.*" (Italics ours.)

This patent was disposed of by the Court of Appeals of the District of Columbia, in *Finch Corp. vs. The Stelos Co.*, 46 Fed. (2d) 606, 608, in the following language.

> "The Pogson specification discloses no cup, and the method there set forth 'consist in looping or knitting each portion of the thread or yarn forming the ladder with the succeeding portion and securing the last loop formed at the end of the ladder with the succeeding portion, such as, by a piece of thread or yarn corresponding to the article'. There is no disclosure of a cup or holder, the element that imparts novelty to the claim in suit".

Semonsen No. 1,536,265, (R. 1073)

This patent was referred to by the Circuit Court of Appeals as showing that "Stephens was not the first to invent

an open holder, which permitted the needle to be raised above the work". (R. 1342.)

The Semonsen patent describes the use of a hook somewhat resembling a crotchet hook for reknitting runs in knitted fabrics held on the holder in *stretched* condition. The purpose of the holder was to spread the run so as to permit the hook to engage the individual threads as shown in Figs. 4 and 5 of the patent, and also to present a surface beneath the run of contrasting color to facilitate the picking out of the individual threads.

The instrument used was not a latch needle; it did not reciprocate *through the fabric*, and the method of using a latch needle was not in any manner involved in the Semonsen patent. The crotchet type of hook mentioned in the patent is as tedious to operate as the old finger method, and as eye-straining and objectionable. Each individual thread must be picked up separately, just as in the old finger method.

It was not suggested in the opinion of the Circuit Court of Appeals, for the Second Circuit, that this patent discloses anything resembling the Stephens punch method. In fact, it was referred to only for an open holder for knitted goods. However, it will be noted that the holder in this patent utilizes an elastic band 7 "for *securing* the fabric to the holder in *stretched* condition", whereby the fabric is "tightly held in position by means of the elastic band 7".

It will be noted that this patent uses the word "*stretched*" in several instances. This represents the past tense, a condition which has been fixed and finished. It does not represent the present tense of "*stretching*", the active verb used advisedly in the claim. With knitted fabrics such as sheer hosiery, it is necessary for the operator to be continually *stretching* the fabric, and to apply a constant manipulation thereto, so as to keep the run from increas-

ing and yet to expand it to a condition suitable for operating the needle.

The active verb "stretching" was used advisedly in the claim in order to define this constant manipulation and change in tension and condition of the fabric, because it was recognized that the method could not be performed satisfactorily unless the operator could vary and regulate the tension on the fabric. Such constant manipulation would be prevented by a tight elastic band.

Furthermore, these runs in knitted goods are very fugitive. They have a tendency of lengthening and "running away" so to speak, with an increase of tension on the fabric and when pulled and spread crosswise, forming double or triple runs. Before an operator could finish applying a clamping band over the fabric, the run would have extended clear over the edge of the holder, so that the operator would have to re-adjust the hose before she could begin the reknitting operation.

Mr. Stephens testified that he had tried embroidery hoops and that he had seen Mrs. de Marr try to use embroidery hoops in Mexico, but they could not be used satisfactorily for the reasons mentioned, that they *stretched* the fabric and they are not capable of having a constant manipulation and a continual *stretching* applied to the fabric during the reknitting operation and responsive to the requirements, which is essential to speed and satisfactory work.

The Circuit Court of Appeals, for the Second Circuit, did not suggest in the least that Semonsen is an anticipation of claim 23, or in fact that Semonsen and Pogson together constitute an anticipation, but it was stated, erroneously, we believe, that Semonsen "contained the feature lacking in Pogson, if Pogson really did lack it", referring to the "suitable holder" (R. 1342). The Court stated further, "to use Pogson's stitch and needle with Semon-

sen's holder, might conceivably require invention, but it would be a very tenuous one at best" (R. 1344).

Bearing in mind that the Court held that Pogson disclosed nothing more than the finger method by which the fabric was held over the finger and had "the stroke substantially horizontal", if the Pogson needle had thus been used in the Pogson manner on the holder of Semonsen, it would still be a surface method with "the stroke substantially horizontal".

It is an important and really essential feature of the Stephens method recited in claim 23, that the needle be inserted *through the fabric* as distinguished from operating along the surface "substantially horizontal", and that during such operation of the needle *through the fabric,* the fabric be manipulated over the holder by stretching which implies varying the tension. **Neither Pogson nor Semonsen discloses the insertion of the needle through the fabric.**

This is not a claim to a needle and a holder as a combination. It is a claim to a method. These are mere instrumentalities used in performing the method. The mere fact that the instrumentalities (needle and holder) are old individually would not anticipate this method.

As this Court stated in *Carnegie Steel Co. Ltd. vs. Cambria Iron Co.* 185 U. S. 403, 423:

> "To anticipate a process patent, it is necessary not only to show that the prior patent might have been used to carry out the process, but that such use was contemplated".

The comment of this Court in *Smith vs. Snow et al,* 293 U. S. —— (January 7, 1935), is quite appropriate here, where the court stated:

> "Such rudimentary experiments with isolated elements of Smith's combination did not anticipate his invention. See *Smith & Griggs Mfg. Co. v. Sprague,* 123 U. S. 249, 255".

Semonsen Not Prior Art to Stephens

The Circuit Court of Appeals, for the Second Circuit, recognized that the Semonsen patent "did not count as prior art", but in view of Semonsen "Stephens was not the first inventor" of the holder, citing *Alexander Milburn Company vs. Davis-Bournonville Co.*, 270 U. S. 390.

However, the Court overlooked the fact that the Semonsen patent **was not pleaded as a prior invention** of Otto C. Semonsen. It was pleaded as a prior patent, under the heading "United States Patents" (R. 23, 54, 70). The pleading in the answers of the several defendants was insufficient to plead a prior invention as was necessary under *Alexander Milburn Company vs. Davis-Bournonville Co.*

Because the Semonsen patent was granted long after Stephens' application was filed, it is not a prior patent nor prior art with respect to his invention under the decision of this Court in *Bates vs. Coe*, 98 U. S. 31, 33-34. In that case the Court held that under these circumstances **a patent is not a prior patent or prior art unless issued prior to the filing of the application of the patent in suit,** and if it was pleaded as a prior patent, it must have been granted before the filing of the application for the patent in suit, or before the invention thereof, but such was not the case.

The decision in *Alexander Milburn Co. vs. Davis-Bournonville Co.* is not inconsistent with *Bates vs. Coe* because in the former **the prior invention was pleaded as a prior invention,** and it was a complete anticipation of the invention claimed.

Here the Circuit Court of Appeals refers to Semonsen *not* as an anticipation but merely as prior art which might suggest to a person skilled in the art the use of such a holder. **It could not be prior art until after the Semonsen**

patent issued. When it shows only a part of the invention claimed, it can be used against the patent only as prior art, and that it could not be because it was not granted before the filing of the Stephens application.

Stephens Invention Antedates Semonsen

Furthermore, the Semonsen patent has been overcome by the testimony that Stephens had introduced this complete process into this country at least as early as February or March, 1923. (R. 126-128.) In this connection, Mr. Stephens testified very positively:

> "I thought of that form (showed an egg cup); it just occurred to me that this is the shape of an egg cup. It lent itself to that form. I worked that out in the United States, I would say in 1923, the early part, a month or two after I arrived, I mean the form or shape of an egg cup. It was within one or two months, the first one or two months of 1923, the latter part of January or February.
>
> "I do not have a record of it. After I got the thought there was a first embodiment of it in physical form". (R. 128).

Mr. Stephens' testimony was corroborated by Mr. Losh, who testified as to the disclosure of the invention to him by Mr. Stephens, and Mr. Losh even produced in court the original needle that he had at the beginning. After describing the disclosure of the invention to him by Mr. Stephens, Mr. Losh testified:

> He sent word the latter part of April or the early part of May, 1923; he sent me word to use an egg cup, and an egg cup has been used by The Stelos Company ever since". (R. 167.)

The Court of Appeals, for the Second Circuit, held this testimony insufficient to antedate the Semonsen patent, inasmuch as "neither witness had a scrap of paper or any physical embodiment of the invention to bear him out;

and without something of the sort an inventor cannot antedate his application", citing *Eibel Process Co. vs. Minnesota & Ontario Paper Co.*, 261 U. S. 45, 60, which however *dealt with prior use* and was not concerned with *antedating an application* by testimony of the inventor and corroborating witnesses, which is quite a different situation.

An inventor is likely to remember the steps of his invention far more than witnesses who can be easily tempted to "convince themselves after many years of having had a conception at the basis of a valuable patent". The law is not absolute that the application date of an invention can be carried back to the conception date or the reduction to practice only by written records.

In *Mayer vs. A. & H. G. Mutschler et al*, (C. C. A. 2) 248 Fed. 911, 914, the court stated:

> "Certainty beyond reasonable doubt is reached by quality of evidence, and much depends on the nature of the thing sworn to. One witness my suffice (Tompkins vs. N. Y. Woven Wire, etc. Co., 159 Fed., 133, 86 C. C. A. 323), if the surrounding circumstances are confirmatory; here are more witnesses than one and we regard the circumstances as highly corroborative".

In this instance, Stephens and Losh were working with actual needles, egg cups, wine glasses, and the like. There was no occasion for them to reduce this method to writing or drawings, if indeed it could be fully set forth in drawings. Losh had in court his very first needle which is certainly corroborative of his testimony and there is no reason whatever to disbelieve these witnesses who were testifying to facts which occurred only a few years previous, as to what happened at their very introduction to this hosiery mending service, so that they were more than likely to remember very clearly the dates and happenings.

In view of this evidence it is submitted that the date of the Stephens invention has been proven prior to the filing date of the Semonsen application and Semonsen is not a

proper reference for prior invention or prior art or for any other reason, against the Stephens application.

CONCLUSION

It is believed that the foregoing has proved:

(1) That Stephens made a great and valuable invention when he devised the basic and wholly novel idea, of reknitting runs in hosiery without an eye straining, tedious job of fishing for the threads, attendant upon the finger method, and as a result of this invention a new industry was created.

(2) That claim 23 fully covered this new method of working through the fabric while the operator is *stretching* the fabric over a cup-shaped holder, enabling the operator to reknit the run without watching the threads, which is the only method by which very sheer hosiery, (up to 50 or 60 cross threads per inch) can be reknit.

(3) In the art of reknitting runs in hosiery without watching the operation closely, and without eye straining, tedious, fishing for the threads, there is no prior art detracting from or limiting the Stephens invention.

Paraphrasing the statement of this Court in *Diamond Rubber Co. vs. Consolidated Rubber Tire Co.*, 220 U. S. 428, 435, with respect to Pogson: DEFENDANTS GIVE THE TRIBUTE OF THEIR PRAISE TO POGSON; BUT THEY GIVE THE STEPHENS PATENT THE TRIBUTE OF THEIR IMITATION AS OTHERS HAVE DONE.

(4) There should be no question as to infringement. The Finch sliding latch needle is operated precisely in the same manner as the Stephens pivoted latch needle, and the latches in both instances impound the thread in the hook, and shunt off the formed loop in the same manner. Both are thread operated in both directions, and are recognized as equivalents.

(5) There is no estoppel as to "laterally out of alignment"; plaintiff is not attempting to construe claim 23 as coextensive with cancelled claim 10; defendants are not using the process of cancelled claim 10. Claim 23 is entitled to a full range of equivalents, as it has been accorded in previous suits, involving the same question of equivalency between sliding and pivoted latches and between upright and slanting needles.

(6) The interpretation by the Court below of the clause: "continuing this movement on through the fabric while holding the device laterally out of alignment with the run", was erroneous according to lexicographers, according to Stephens' intention, according to the file wrapper, and according to the prior art. The Court failed to accord to the claim the degree of liberality that it deserved.

(7) Even according to the Court's interpretation of the claim, the evidence shows that defendants infringe.

(8) Defendants accomplish the same results as accomplished by Stephens, and they accomplish them in the same way, namely, by working up and down through the fabric while *stretching* the fabric over a suitable holder. All that the defendants claim to do is to hold the needle in a vertical plane perpendicular to the plane of the fabric instead of in an oblique plane, as described but *not* specifically claimed by Stephens. Claim 23 is of sufficient breadth and scope to cover this slight modification. This change of position was held not to avoid infringement in *Finch Corp. vs. Stelos Co.*, 46 Fed. (2d) 606, 608, which we submit was correct.

The mechanical variations in the Finch sliding latch needle were correctly held immaterial and mere colorable variations, not only by the Court of Appeals of the District of Columbia but also by the Circuit Court of Appeals, for the Second Circuit. The method of the Stephens patent cannot be avoided by changes in details of apparatus which do not affect the basic method disclosed by Stephens, a

method which has not merely revolutionized the art, it has started a vast commercial industry, occupying a distinct field and giving profitable returns to many.

Accordingly, it is submitted that the decision of the Circuit Court of Appeals, for the Second Circuit, should be modified and the case remanded with instructions to hold claim 23 both valid and infringed.

Respectfully submitted,

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Washington, D. C.,
March 11th, 1935.